

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 93-749-G - ORDER NO. 94-389<sup>1c</sup>  
APRIL 28, 1994

IN RE: Application of South Carolina Electric        ) ORDER  
      & Gas Company for Approval of a Proposed       ) APPROVING  
      Developmental Compressed Natural Gas (CNG)     ) PROGRAM  
      Refueling Program.                                )

On December 3, 1993, South Carolina Electric & Gas Company (SCE&G or the Company) filed an Application with the Public Service Commission of South Carolina (the Commission) requesting approval of a Proposed Developmental CNG Refueling Program (the Refueling Program or the Program). According to SCE&G, the proposed Program will not increase rates to current customers. This Application is filed pursuant to S.C. Code Ann., §58-5-240 (1976), as amended.

As set forth in the Application, the price for end-use sales from Company-owned refueling stations could float between a Maximum Price and Minimum Price. The Maximum Price would equal the competitive price of regular unleaded gasoline and would apply so long as it exceeds the Minimum Price. The Minimum Price would be based on the Company's Commodity Cost of Purchased Gas plus specified margins and taxes, converted to gallon equivalent of gasoline. It is expressly recognized by SCE&G in its Application that the benchmark for establishing Maximum Prices may need to be

reconsidered if other alternate fuels (i.e. electricity, reformulated gasoline, etc.) become competitive forces in the vehicle fuels market. Sales to non-Company owned CNG refueling stations would be made under Commission approved contracts on similar terms and conditions as sales to other interruptible natural gas customers.

The Program requires certain amendments to the Company's Purchased Gas Adjustment to reflect sales to these new classes of users. In all cases, the price of gas for use as vehicle fuel by end-users or refueling stations would be based on the Company's Commodity Cost of Purchased Gas excluding demand or capacity charges.

Sales under the Program would be curtailable as Category 3-C sales.

Pursuant to S.C. Code Ann., §58-5-240(G) (1976, as amended), the Commission may allow rates or tariffs to be put into effect without a hearing upon Order of the Commission when such rates or tariffs do not result in any rate increase to the public utility. It is the opinion of this Commission that the programs proposed indeed do not result in any rate increase to the public utility, therefore, no hearing is necessary in this Docket.

Upon examination of the proposed Program, the Commission believes that the Program is just and reasonable, and should be implemented as it appears in the Application.

IT IS THEREFORE ORDERED THAT:

1. The proposed Developmental Pricing Program for Sales of

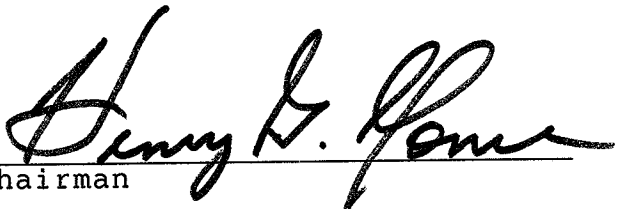
Compressed Natural Gas for Vehicle Refueling is hereby approved as submitted.

2. That the Company shall submit amended rate schedules and tariff sheets implementing the changes required to implement the Program within ten (10) days of the date of this Order incorporating our findings herein.

3. That the Program shall be effective with the first billing cycles in May 1994.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)